

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR AN)	CASE NO. IPC-E-03-2
ORDER AUTHORIZING UP TO \$250,000,000)	
AGGREGATE PRINCIPAL AMOUNT AT)	
ANY ONE TIME OUTSTANDING OF)	ORDER NO. 29204
SHORT-TERM BORROWINGS)	
)	

On February 25, 2003, Idaho Power Company (Idaho Power) filed an Application pursuant to Chapter 9, Title 61 of the Idaho Code and Rules 141 through 150 of the Commission's Rules of Procedure, IDAPA 31.01.01.141-150, requesting an Order authorizing Idaho Power to incur up to \$250,000,000 aggregate principal amount of short-term borrowings at any one time outstanding. Idaho Power is an electrical utility headquartered in Boise, Idaho, providing retail electric service in southern Idaho and eastern Oregon. The Commission hereby adopts its Findings of Fact, Conclusions of Law and Order approving the Application.

FINDINGS OF FACT

Idaho Power was incorporated on May 6, 1915 and migrated its state of incorporation to the state of Idaho on June 30, 1989 and is duly qualified to do business in the state of Idaho. Idaho Power's principal office is located in Boise, Idaho.

Idaho Power proposes, subject to the approval of this Commission, to secure commitments for unsecured Lines of Credit for up to one year with several financial and other institutions. Each Line of Credit commitment will provide that up to a specific amount at any one time outstanding will be available to Idaho Power to draw upon for a fee to be determined either by a percentage of the credit line available, credit line utilization, compensating balance or combination thereof. In the case of a syndicated facility, Idaho Power will pay an arrangement fee and an annual fee to the agent as well as a facility fee based on a percentage of each bank's commitment. Idaho Power may also make arrangements for uncommitted credit facilities under which unsecured Lines of Credit would be offered to Idaho Power on an "as available" basis and at negotiated interest rates. Such committed and uncommitted borrowings will be evidenced by unsecured promissory notes or other evidence of indebtedness.

In addition, unsecured promissory notes will be issued and sold by Idaho Power directly or through one or more commercial paper dealers or agents. Each note issued as commercial paper will be either discounted at the rate prevailing at the time of issuance for commercial paper of comparable quality and maturity or will be interest bearing to be paid at maturity. Each such note will have a fixed maturity and contain no provision for automatic "roll over".

Idaho Power may issue the proposed borrowings during the period from April 1, 2003 to and including March 31, 2004. The proposed borrowings will have varying maturities, but in no event will any borrowing have a final maturity beyond March 31, 2005.

Idaho Power states the purpose for which the proposed short-term borrowings will be made and promissory notes, commercial paper or other evidence of indebtedness issued, is to obtain temporary, interim capital (including renewal of short-term notes or other evidence of indebtedness issued or outstanding prior to April 1, 2003), to finance Idaho Power's ongoing construction program, including, but not limited to, new plant investment, as well as the upgrade of existing generation, distribution, transmission and general plant, and for general corporate purposes including, but not limited to, the possible purchase of electric utility assets and service territory, the possible repurchase of common shares of Idaho Power, the retirement of maturing debt and the possible repurchase or defeasance of certain debt or preferred stock presently outstanding.

CONCLUSIONS OF LAW

Idaho Power is an electrical corporation within the definition of *Idaho Code* § 61-119 and is a public utility within the definition of *Idaho Code* § 61-129.

The Idaho Public Utilities Commission has jurisdiction over this matter pursuant to the provisions of *Idaho Code* § 61-901 *et seq.*, and the Application reasonably conforms to Rules 141 through 150 of the Commission's Rules of Procedures, IDAPA 31.01.01.141-150.

The method of issuance is proper.

The general purposes to which the proceeds will be put are lawful purposes under the Public Utility Law of the State of Idaho and are compatible with the public interest. However, this general approval of the general purposes to which the proceeds will be put is neither a finding of fact nor a conclusion of law that any particular construction program of the Company which may be benefited by the approval of this Application has been considered or approved by this Order, and this Order shall not be construed to that effect.

The issuance of this Order authorizing the proposed financing does not constitute agency determination/approval of the type of financing or the related costs for ratemaking purposes, which determination the Commission expressly reserves until the appropriate proceeding.

All fees have been paid by Idaho Power in accordance with *Idaho Code* § 61-905.

ORDER

IT IS THEREFORE ORDERED that Idaho Power Company be, and the same is hereby authorized, during the period from April 1, 2003 to and including March 31, 2004 to make short-term borrowings and to issue unsecured notes (including renewal notes), for the purposes herein set forth, in an amount not to exceed \$250,000,000 aggregate principal amount of short-term promissory notes or other evidence of indebtedness to be outstanding at any one time, with a final maturity of no later than March 31, 2005. Idaho Power is further authorized to the extent permissible under applicable governmental statutes and regulations to substitute commercial paper borrowings for the Lines of Credit, or other borrowing arrangements, up to the limit of \$250,000,000 aggregate principal amount at any one time outstanding as herein set forth. No additional authorization is required to carry out this transaction and no Supplemental Order will be issued.

IT IS FURTHER ORDERED that Idaho Power shall file with the Commission pursuant to the Commission's Rule 143, as soon as available, final verified copies of any agreement entered into in connection with the execution of this authority. IDAPA 31.01.01.143.

IT IS FURTHER ORDERED that Idaho Power include the debt authorized by this Order with its periodic debt reports for submission to and review by the Commission.

IT IS FURTHER ORDERED that the foregoing authorization is without prejudice to the regulatory authority of this Commission with respect to rates, utility capital structure, service, accounts, evaluation, estimates for determination of cost or any other matter which may come before this Commission pursuant to its jurisdiction and authority as provided by law.

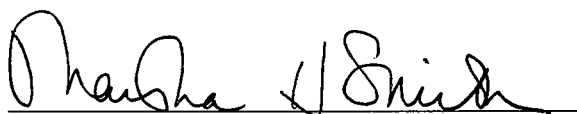
IT IS FURTHER ORDERED that nothing in this Order and no provisions of Title 61, Chapter 9, *Idaho Code*, or any act or deed done or performed in connection therewith shall be construed to obligate the state of Idaho to pay or guarantee in any manner whatsoever any security authorized, issued, assumed or guaranteed under the provisions of said Title 61, Chapter 9, *Idaho Code*.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 12th day of March 2003.



PAUL KJELLANDER, PRESIDENT

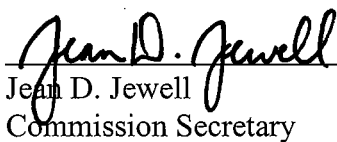


MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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